

WIDESPREAD GOLD MINERALISATION IN AIRCORE DRILLING AT PENNY'S

PENNY'S GOLD PROJECT

- Drilling at PF09 prospect confirms prospectivity of interpreted supergene enrichment
- Lateral limits of previously identified mineralisation expanded in a twenty-two hole, 1,381m aircore program
- Wide drill intercepts of anomalous gold, including:
 - **12m @ 0.80g/t Au** from 40m, including **4m @ 1.78g/t Au** from 48m (PAC20-02)
 - **22m @ 0.45g/t Au** from 36m to EOH (PAC20-17)
 - **6m @ 0.78g/t Au** from 48m to EOH (PAC20-12)
 - **6m @ 0.57g/t Au** from 46m (PAC20-01)
- Planning underway for RC drilling to test the continuity of gold mineralisation at depth

Empire Managing Director, Sean Richardson commented:

"The PF09 prospect was identified in late 2019 reconnaissance drilling of historic soil anomalism. Its rapid progress from a geochemical target to advanced exploration prospect with drilling clearly demonstrates the potential for the multitude of remaining untested targets at Penny's."

"The strong mineralisation encountered in the recent aircore drilling has confirmed the presence of widespread gold mineralisation at PF09 prospect. Gold mineralisation has been encountered in consecutive holes across all three drill lines, and in doing so has expanded the footprint of the identified mineralisation from 150m to 250m wide. The interpreted super-gene enrichment remains open in all directions"

"The Company is planning follow up RC drilling to test the continuity of mineralisation with depth at PF09 and will continue to advance its exploration efforts at Penny's. The Company looks forward to providing regular updates as progress continues at this exciting Project."

SUMMARY

Empire completed twenty-two aircore (AC) holes for 1,381m at the Penny's Gold Project located 45km from Kalgoorlie in Western Australia. The program tested the strongly anomalous PF09 gold prospect previously identified during AC drilling in November 2019¹.

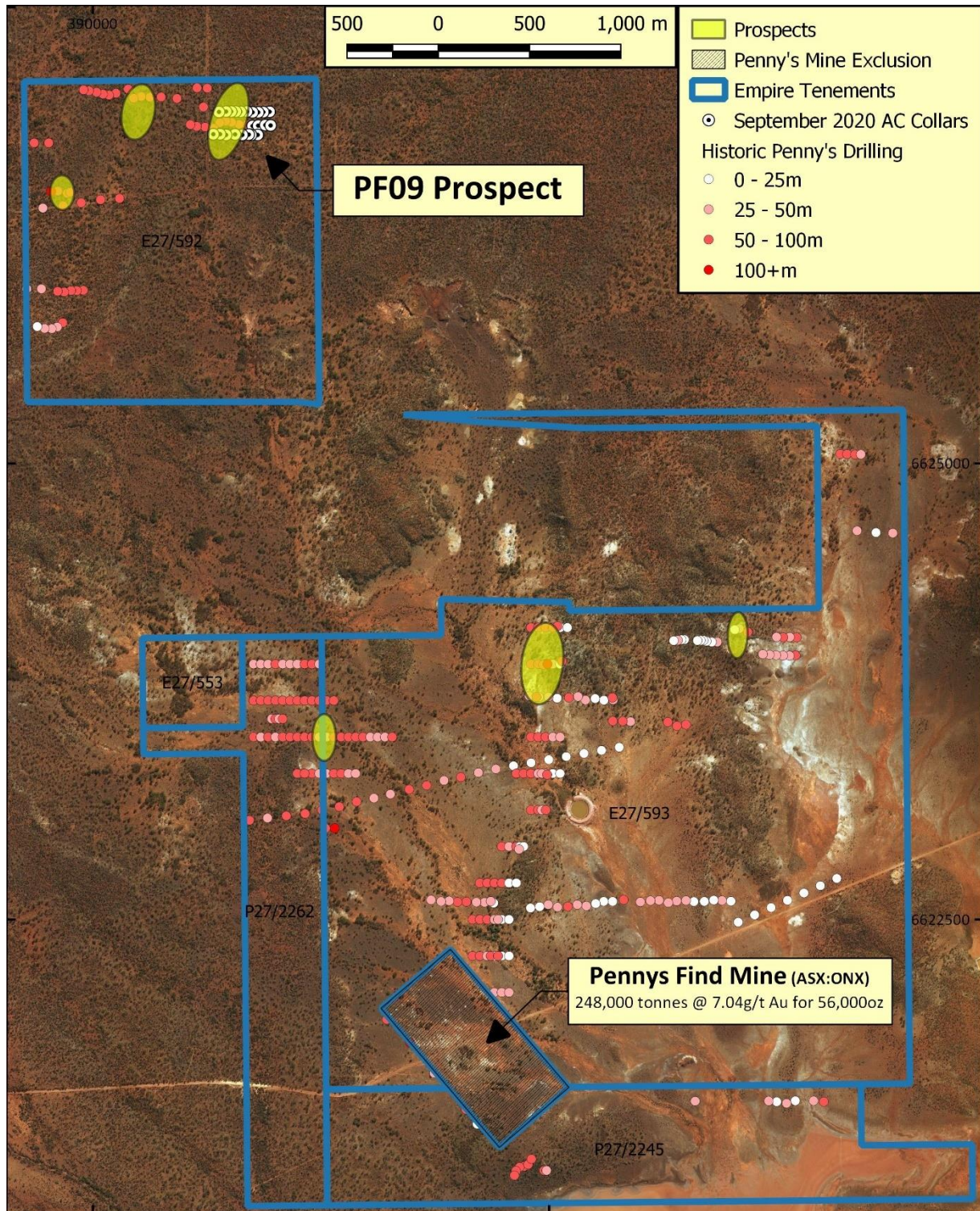


Figure 1 – Penny's Gold Project Prospects and Drill Hole Locations

PF09 Prospect

The PF09 prospect was identified in November 2019¹ where AC drilling of soil geochemical anomalism produced encouraging anomalous gold mineralisation. A broad zone of supergene mineralisation greater than 150m in width was outlined at the PF09 prospect and was considered to be open in all directions.

Drilling in September 2020 tested the lateral east-west limits of the mineralisation by extending the November 2019 drill line a further 100m to the east. The northern and southern extents were tested by drill fences located approximately 75m north and 50m south of the November 2019 drilling.

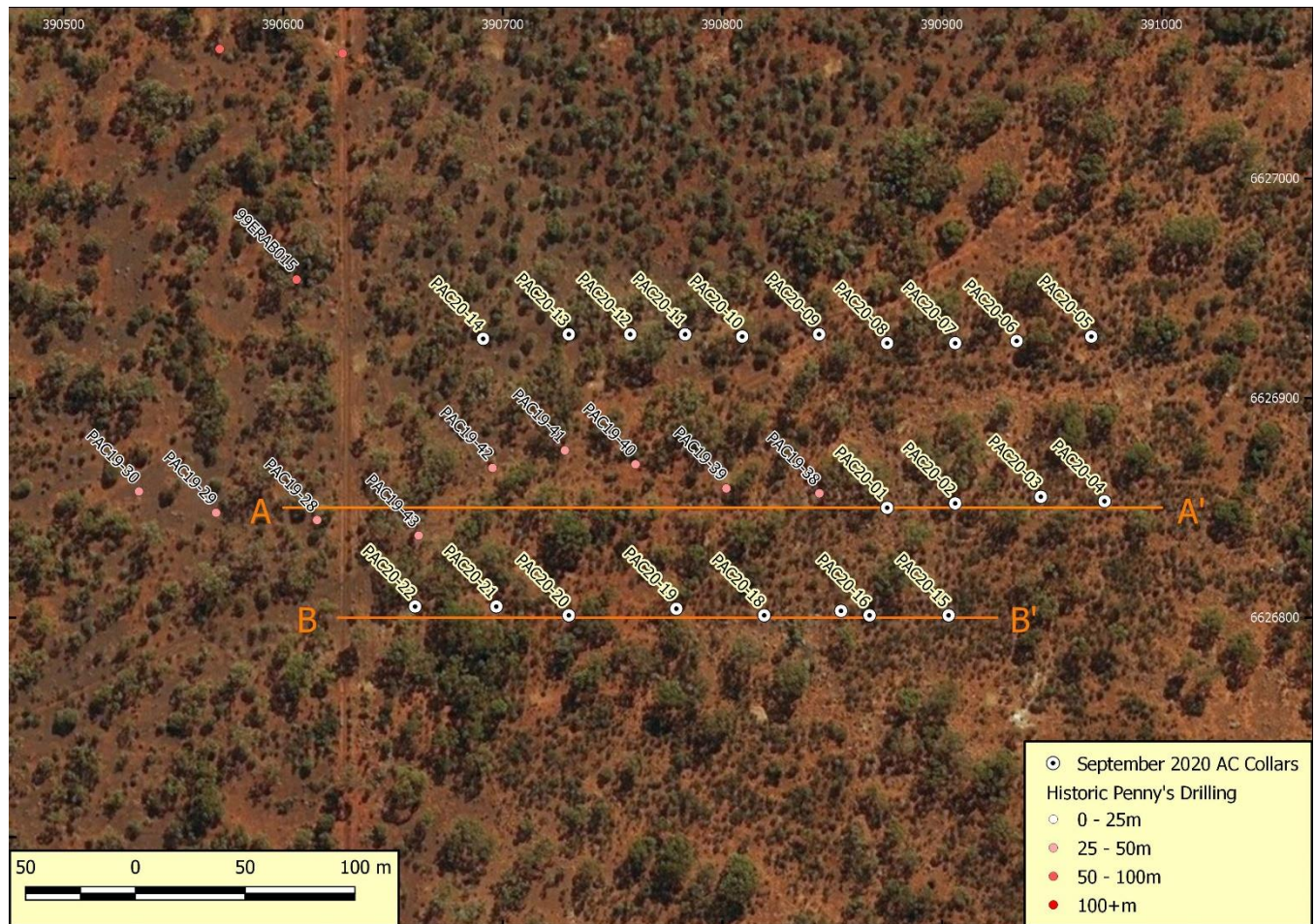


Figure 2 – PF09 Aircore Drillhole Locations

The September 2020 drilling extended the known mineralisation on section 6,626,850mN to a width of 250m. Drilling returned consistently strong gold anomalism from consecutive holes with peak gold results of **12m @ 0.80g/t Au** from 40m, including **4m @ 1.78g/t Au** from 48m in hole PAC20-02.

Drilling on section 6,626,800mN returned **22m @ 0.45g/t Au** from 36m to end of hole (EOH), including **4m @ 0.74g/t Au** from 44m in hole PAC20-17. PAC20-17 ended in relatively fresh mafic volcanics where the gold mineralisation is accompanied by anomalous arsenic values.

Broad zones of anomalous arsenic up to 2,065ppm As were also encountered with surrounding discrete gold mineralisation. The arsenic zones are significant as proximal deposits Penny's Find and Garibaldi are reported to show strong correlation of gold with arsenic values.

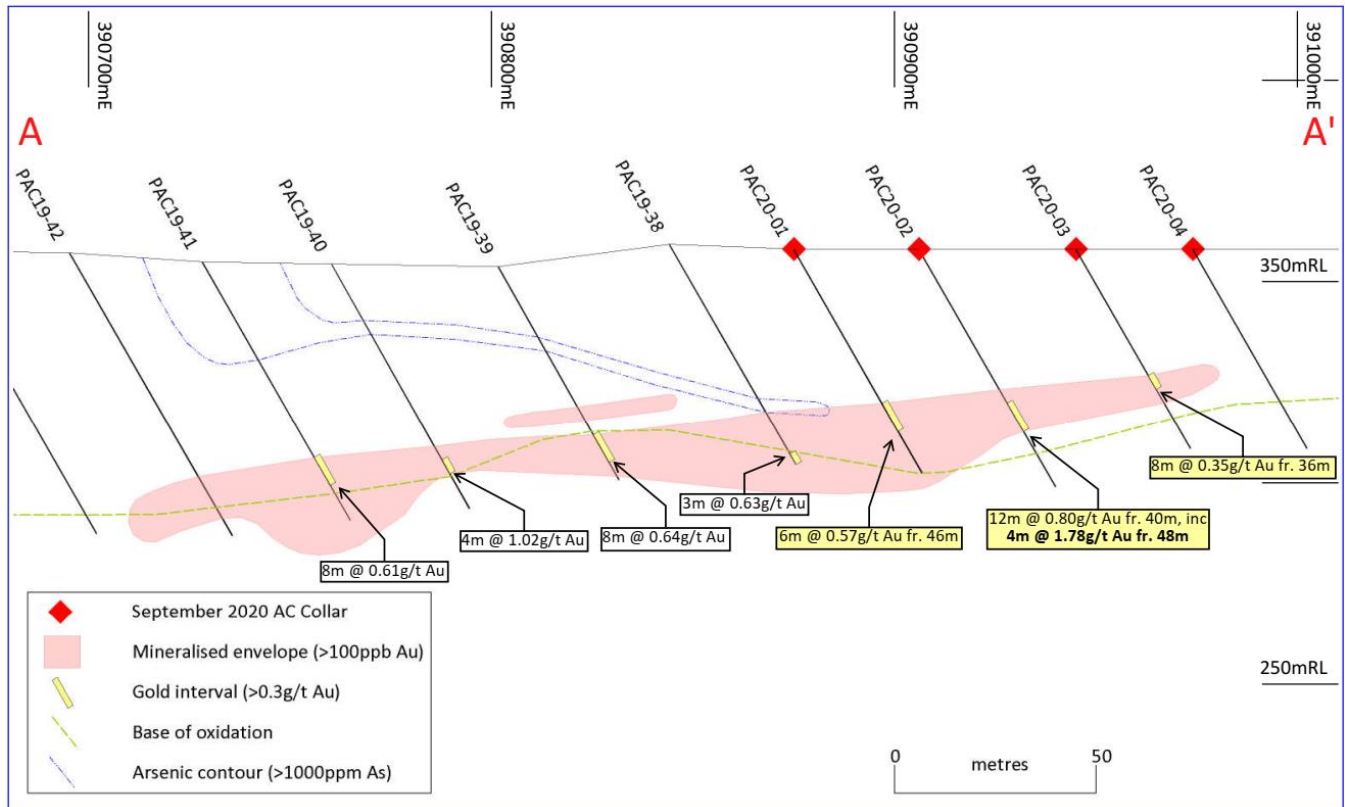


Figure 3 – PF09 Prospect Cross Section 6,626,850mN

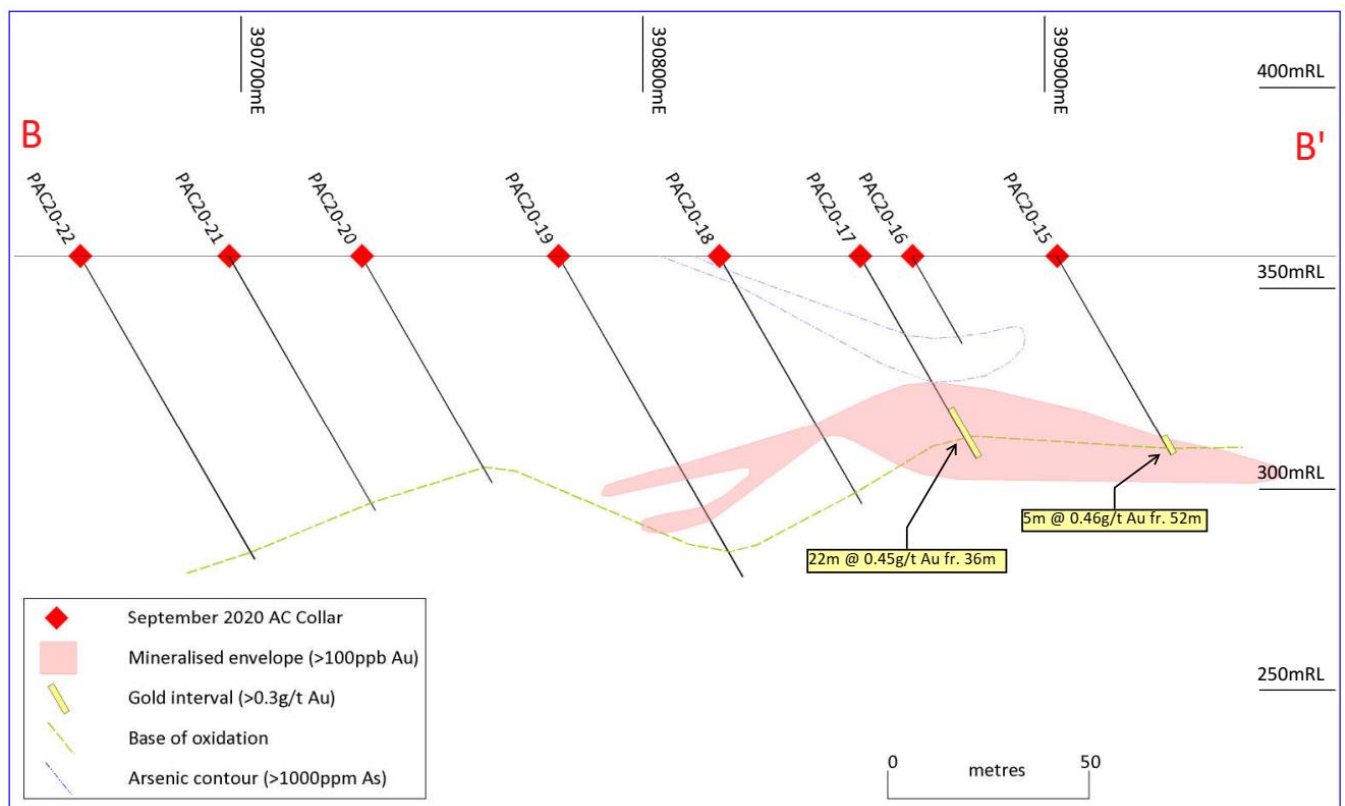


Figure 4 – PF09 Prospect Cross Section 6,626,800mN

Follow up RC drilling is planned to test the continuity with depth of gold mineralisation intersected in aircore holes PAC20-01, PAC20-02, PAC20-12 and PAC20-17. Empire looks forward to providing exploration updates as work progresses.

Prospect	Hole ID	Fr. (m)	To (m)	Int. (m)	Au (g/t)	As (ppm)
PF09	PAC20-01	12	20	8	0.001	1,052
	PAC20-01	44	45	1	0.337	395
	PAC20-01	46	63*	17	0.292	363
	inc	46	52	6	0.572	243
	inc	46	48	2	0.782	162
	PAC20-02	44	52	12	0.798	125
	inc	48	52	4	1.785	125
	PAC20-03	36	44	8	0.352	83
	PAC20-06	48	52	4	0.113	93
	PAC20-07	44	54*	10	0.185	185
	PAC20-08	48	56	8	0.165	684
	PAC20-08	64	68	4	0.103	240
	PAC20-11	28	36	8	0.001	1,401
	PAC20-11	44	45*	1	0.209	1,541
	PAC20-12	24	44	20	0.006	1,457
	PAC20-12	48	54*	6	0.791	335
	inc	52	54*	2	0.913	370
	PAC20-13	12	28	16	<0.001	1,481
	PAC20-13	64	68*	4	0.209	319
	PAC20-14	0	8	8	0.149	94
	PAC20-15	52	57*	5	0.458	251
	inc	56	57*	1	0.751	398
	PAC20-16	0	4	4	0.127	245
	PAC20-16	24	25*	1	<0.001	1,926
	PAC20-17	24	28	4	<0.001	1,325
	PAC20-17	32	36	4	<0.001	1,153
	PAC20-17	36	58*	22	0.445	445
	inc	44	58*	14	0.572	381
	inc	44	48	4	0.745	412
	PAC20-18	4	8	4	<0.001	1,029
	PAC20-18	48	52	4	0.108	15
	PAC20-19	60	64	4	0.119	38

Table 1 – Anomalous RC Drilling Results >0.1g/t Au and/or >1,000ppm As

Notes. Intercepts are downhole intervals using a nominal cut off >0.1g/t Au, and/ or 1,000ppm As.

* Denotes end of hole (EOH)

Prospect	Hole ID	East	North	RL	Depth	Az	Dip
PF09	PAC20-01	390,875	6,626,850	358	64	95	-60
	PAC20-02	390,906	6,626,852	358	68	90	-60
	PAC20-03	390,945	6,626,855	358	57	94	-60
	PAC20-04	390,974	6,626,853	358	57	96	-60
	PAC20-05	390,968	6,626,928	358	54	89	-60
	PAC20-06	390,934	6,626,926	358	60	84	-60
	PAC20-07	390,906	6,626,925	358	54	90	-60
	PAC20-08	390,875	6,626,925	358	69	92	-60
	PAC20-09	390,844	6,626,929	358	74	91	-60
	PAC20-10	390,809	6,626,928	358	46	93	-60
	PAC20-11	390,783	6,626,929	358	45	90	-60
	PAC20-12	390,758	6,626,929	358	54	89	-60
	PAC20-13	390,730	6,626,929	358	68	89	-60
	PAC20-14	390,691	6,626,927	358	83	93	-60
	PAC20-15	390,903	6,626,801	358	57	91	-60
	PAC20-16	390,867	6,626,801	358	25	91	-60
	PAC20-17	390,854	6,626,803	358	58	90	-60
	PAC20-18	390,819	6,626,801	358	71	90	-60
	PAC20-19	390,779	6,626,804	358	92	87	-60
	PAC20-20	390,730	6,626,801	358	65	90	-60
	PAC20-21	390,697	6,626,805	358	73	92	-60
	PAC20-22	390,660	6,626,805	358	87	87	-60

Table 2 – Penny's Drillhole Summary

This announcement is authorised for release by:

Sean Richardson
Managing Director

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About Empire

Empire Resources Limited (ASX:ERL) is a gold and copper focussed exploration and development company. Empire owns 100% of two highly prospective projects. The Yuinmery Copper-Gold Project 470km North East of Perth in the base metal rich Youanmi greenstone belt and the Penny's Gold Project 45km North East of Kalgoorlie in the prolific Eastern Goldfields Region of Western Australia. Empire's projects have numerous exploration targets with excellent potential.

Empire has an experienced team of exploration, development and financial professionals who are committed to developing a sustainable and profitable mineral business. Empire seeks to extract value from direct exploration in its existing projects as well as identifying value accretive investment opportunities that complement the Company's development objectives.

Competent Person Statement

The information in this report that relates to Exploration Results is based on information compiled and/or reviewed by Gerald Johnson, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Johnson is an independent geological consultant and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Johnson consents to the inclusion in the report of the matters based on this information in the form and context in which they appear.

Additional JORC Information

Further details relating to the information in this release can be found in the following ASX announcements:

1. ASX:ERL "*Strong Anomalism in Reconnaissance Drilling*" 24 January 2020

JORC Table 1 for the Penny's Gold Project

Section 1 Sampling Techniques and Data

Criteria	JORC Code Explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> <i>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information</i>	- Aircore drilling was used to collect one metre samples. Drilling consisted predominantly using a blade bit with a hammer bit used to drill through harder zones. - Four metre composite samples were collected from one metre sample piles placed on the ground by the drill crew. The composites were collected using a PVC spear. - Samples generally were collected as 2kg made up from 0.5kg sub samples from each pile. - All samples were sent to Intertek laboratory in Kalgoorlie. - Duplicate and standards were included and sent for analysis with the samples. - All samples were pulverised to better than 95% passing 75µm. - Gold was analysed by Aqua Regia Digest (40g) using ICP-MS - Multielement analysis was completed using Aqua Regia Digest and ICP-OES finish.
Drilling Techniques	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	- Aircore (AC) drill rig was used predominantly with a blade bit, but a hammer was used where the ground was too hard for the blade. - Sample recovery as estimated based on the size and consistency of each individual sample pile based on an expected size. - Drilling was carried out by Australian Aircore Drilling using an AAC Custom 150 mounted on a 6WD Truck. - Twenty-two (22) holes for 1,381m were drilled.
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	- AC drilling was used as the most effective drill method in reducing contamination in reconnaissance drilling. 4m drill soil/chip samples, weighing approximately 2kg were collected throughout the drill programme in sequentially numbered bags - Samples were collected in a bucket from a cyclone attached to the rig. The contents of the bucket were placed in piles on the ground in sequential order.

	• The cyclone was regularly checked and cleaned.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.
Sub-sample techniques and sample preparation	• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.
Location of Data points	• Collars were surveyed using a hand-held GPS. • GDA94_51

	<i>Resource estimation.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i>	• Surface elevation were adjusted using points surveyed by a DGPS
Data spacing and distribution	• <i>Data spacing for reporting of Exploration Results.</i> • <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> • <i>Whether sample compositing has been applied.</i>	• Drill holes were generally spaced at 40m across lines spaced between 75m and 50m. • The hole spaced provided good coverage along the drill line. • This drilling is reconnaissance in nature and will not be used for any Mineral Resource estimations.
Orientation of data in relation to geological structure	• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	• Holes were drilled perpendicular to observed or interpreted geology strike direction. • The direction of sampling is not considered to bias results
Sample Security	• <i>The measures taken to ensure sample security.</i>	• Samples were collected from site in a bulka bag and transported directly to the laboratory in Perth.
Audits or reviews	• <i>The results of any audits or reviews of sampling techniques and data.</i>	• The program was completed, and data processed by the CP who is an independent contractor to Empire.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i>	• The project consists of six granted tenements (six exploration and two prospect), for a total area of 23.9 km² • Exploration tenements are; E27/553, E27/591, E27/592 and E27/593 • Prospect tenements are; P27/2245 and P27/2262 • All tenements are 100% owned by Empire Resources Ltd
Exploration done by other parties	• <i>Acknowledgment and appraisal of exploration by other parties.</i>	• Previous exploration activities within the prospect area commenced in the late 1890s with prospectors moving away from the finds of Kalgoorlie and Kanowna. These activities were successful in locating payable gold mineralization at Mayday, Eldorado and Penny's Find • Hanna from 1968 to 1973 targeted VMS style base metal mineralization within the metasedimentary units of the Penny's Find area and was successful in returning anomalous gold results • Modern dedicated gold exploration work commenced in 1983 with a joint venture between City Resources and Esso carrying out a program that included

	geological mapping, rock chip sampling, soil sampling, rotary drilling, and RC drilling. Soil sample results highlighted the known mineralization at the Penny's Find workings, and also outlined numerous other areas of gold anomalism within the current prospect area • Between 1988 and 1993, Geopeko carried out exploration, mainly shallow RAB drilling, in areas largely peripheral to the current prospect area. This shallow reconnaissance RAB drilling outlined geochemical halos in the weathered profile associated with the GMQ shear system • Between 1987 and 1990 Black Swan and Defiance completed a more detailed surface geochemical sampling program (BLEG soil and lag) over the immediate vicinity of the old Penny's Find workings in an effort to locate extensions of the known mineralisation • From 1991 to 1994, Croesus carried out further gold exploration work at the site of the old Penny's Find workings. Their activities included further soil sampling and some additional RC drilling • From 1996 to 2000, Cocks Mining and Hunter carried out some gold exploration in the environs of Penny's Find. This work included geological mapping, soil sampling, RAB and RC drilling. Soil sampling and RAB drilling outlined strike extensions to mineralisation • Since 2000, Rubystar Nominees Pty Ltd engaged the Black Stump Consulting Group to carry out a resource estimation study for the mineralisation located in the vicinity of the old Penny's Find workings • Since 2004 Empire Resources (formerly White Gold Mining Ltd.) has undertaken RAB and RC drilling programs and surface geochemical surveys • In 2012 Empire Joint ventures the project with Brimstone. Additional RAB and RC drilling was completed along with a MMI geochemical sampling program
Geology • <i>Deposit type, geological setting and style of mineralisation.</i>	• The Penny's Gold Project is located within the north-northwest trending Gindalbie greenstone belt, part of the Achaean Yilgarn Craton. The regional geology of the project area includes a sequence of north-northwest striking mafic and lesser possible carbonated ultramafic volcanic rocks with intercalated horizons of felsic volcanic rocks and metasediments. The sequence has been subjected to multiple deformation events resulting in significant folding, pronounced foliation, and a northerly plunging mineral lineation.

		Gold mineralisation at Penny's Find is associated with lower order shears. These shears can be recognised by the inclusion of abundant quartz stringers within the sheared host rock.
Drill hole Information	- A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes: - easting and northing of the drillhole collar - elevation or RL (elevation above sea level in metres) of the drillhole collar - dip and azimuth of the hole - down hole length and interception depth - hole length.	- Twenty-two (22) holes for 1,381m were drilled at PF09 prospect. - Hole locations are tabulated along with accompanying collar location diagrams within this report
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.	- Data was compiled using excel spreadsheets and loaded into an Access database. - The data was audited using Surpac data auditing features. - No cut-off grades have been applied to the assay results.
Relationship between mineralisation widths and intercept lengths	- If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported. - If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect.	Drill hole intercepts are reported as downhole intercepts due to the early nature of the program and the uncertainty in interpreted mineralisation widths and geometry.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.	Diagrams are included within the report
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	All data from the program is provided in the report
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	NA.
Further work	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).	- Reconnaissance drilling programs are planned to test high priority target areas. - RC drilling of follow up targets - Reinterpretation of geophysical data